

Water Amendment Regulation (No. 2) 2021

Explanatory notes for SL 2021 No. 105

made under the

Water Act 2000

General Outline

Short title

Water Amendment Regulation (No. 2) 2021

Authorising law

Sections 691, 691A, 1014 and schedule 4 of the *Water Act 2000* (Water Act)

Policy objectives and the reasons for them

The objectives of the *Water Amendment Regulation (No. 2) 2021* are to:

- dissolve the Yambocully Water Board to convert to an alternative institutional structure;
- prescribe metered entitlements in the Burdekin Basin water plan area; and
- make minor amendments of clarity to the Water Regulation 2016 (Water Regulation).

Dissolution of Yambocully Water Board

The Yambocully Water Board (the board) is a category 2 water authority under the Water Act that distributes water for irrigation, water harvesting and provides an improved stock and domestic supply in its authority area. The board has requested it be dissolved and respective assets and liabilities transferred to an alternative institutional structure, Yambocully Water Proprietary Limited. Dissolution of category 2 water authorities is consistent with the recommendations of the 2009 Webbe-Weller review of statutory bodies in Queensland, which found on balance the public interest was not served by the continuance of these authorities.

Metered entitlements

The Water Act, section 1014, allows a regulation to provide the framework for metering, including when a meter must be installed, the arrangements for maintaining

and reading meters and minimum construction standards. Under this framework water entitlement holders are sent meter notices requiring approved meters to be installed and notifying that the entitlement will be prescribed as a metered entitlement in schedule 11 of the Water Regulation. The holder of a metered entitlement may only take water through works that have an approved meter attached.

As part of implementing an amendment to the Burdekin Basin water plan, meter notices were sent to water entitlement holders in subcatchments G (Upper Burdekin), F (Cape Campaspe) and E (Belyando Suttor) identified under the *Water Plan (Burdekin Basin) 2007*. It is now appropriate that these entitlements be listed as metered entitlements.

Achievement of policy objectives

Dissolution of Yambocully Water Board

Section 691 of the Water Act allows for a regulation to dissolve a category 2 water authority to allow for its conversion to an alternative institutional structure, including a company. The policy objective is achieved by amending schedule 8 of the Water Regulation to formalise the dissolution and conversion of the board to Yambocully Water Proprietary Limited.

Section 691A of the Water Act requires a regulation dissolving a category 2 water authority that holds a distribution operations licence to identify a document which sets out the distribution arrangements and any financial obligations for the holders of water allocations for water distributed under the licence. The amendment regulation lists the 'Agreement for the distribution of water under the Yambocully Water Supply Scheme Distributions Operations Licence' for this purpose.

Metered entitlements

The amendment regulation will achieve its objective by amending schedule 11 of the Water Regulation to prescribe new metered entitlements in subcatchment areas E, F and G under the *Water Plan (Burdekin Basin) 2007*.

Minor amendments of clarity

The amendment regulation make minor clarifications including to update a reference to the department's website for consistency with section 112 of the Water Act and including a new definition for water entitlement database.

Consistency with policy objectives of authorising law

The amendment regulation is consistent with the objectives of the Water Act.

Inconsistency with policy objectives of other legislation

The amendment regulation is not inconsistent with any policy objectives of any legislation.

Benefits and costs of implementation

Dissolution Yambocully Water Board

The key benefit of dissolving the board is providing for the entity to operate more independently and efficiently in a way that best fits the scale of its operations.

When it ceases to operate as a statutory body, it is no longer bound by chapter 4 of the *Water Act* and the *Financial Accountability Act 2009*, which may result in reduced governance and administrative burden (and associated costs) on the entity itself and Queensland Government departments providing oversight.

The amendments create neutral impacts on the community, as the new entity will continue to provide the services that are provided to the community under the water authority structure.

Metered entitlements

Metering non-urban water entitlements has a number of benefits, such as:

- security of existing entitlements by minimising the risk of excess or unauthorised water use;
- facilitating accurate monitoring of usage by water users;
- improved planning and management of water resources; and
- enabling water trading for water allocations and tradeable water licences.

Amending schedule 11 of the *Water Regulation (Metered entitlements)* will simply ensure it accurately reflects metered entitlements in the Upper Burdekin and Cape Campaspe water management areas and the Belyando Suttor subcatchment areas.

Consistency with fundamental legislative principles

The amendment regulation is consistent with fundamental legislative principles.

Consultation

Ratepayers in the Yambocully Water Board authority area have been consulted and balloted and voted in favour of dissolving the board and converting to a private company structure.

The requirement for metering was discussed with water users during the development of the *Water Amendment Plan (Burdekin Basin) 2019* and was generally accepted and supported.

In accordance with the *Queensland Government Guide to Better Regulation*, the Office of Best Practice Regulation was not consulted in relation to the regulatory proposal. A self-assessment was undertaken and it was determined that the amendments are excluded from further regulatory impact analysis as they are for the internal management of the public sector or statutory authority (Category (c)), are of a machinery nature (Category (g)) or correct technical errors or amend legislation to take account of current Queensland drafting practice (Category (f)).

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